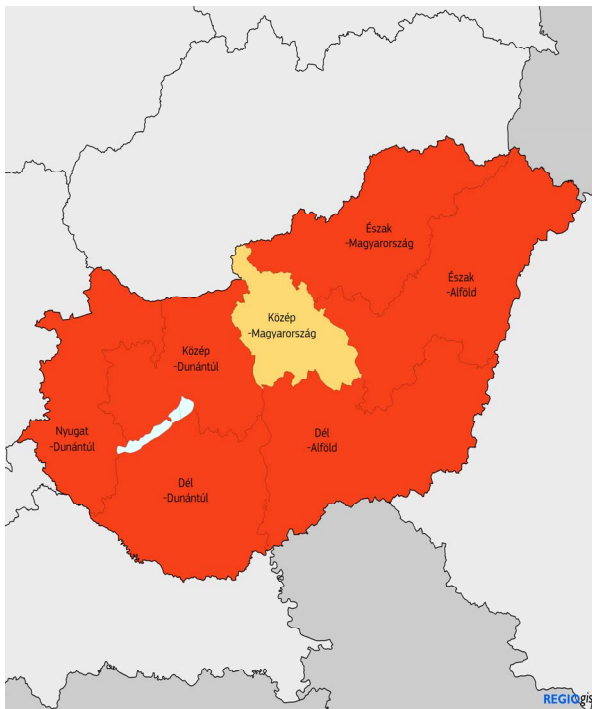


# Cohesion Policy and Hungary

In 2014-2020, Hungary will manage **six operational programmes** under EU Cohesion Policy. Four programmes will receive funding from the European Regional Development Fund (ERDF) and the European Social Fund (ESF). Two programmes will receive funding from the ERDF and the Cohesion Fund.



Structural Funds (ERDF and ESF) eligibility 2014-2020

- Less developed regions  
(GDP/head < 75 % of EU-27 average)
- Transition regions  
(GDP/head between  $\geq 75$  % and < 90 % of EU-27 average)
- More developed regions  
(GDP/head  $\geq 90$  % of EU-27 average)

## How much will be invested in Hungary in 2014-2020?

For 2014-2020, Hungary has been allocated **€ 21.9 billion** (current prices) in total Cohesion Policy funding:

- **€ 15 billion** for less developed regions (Közép-Dunántúl, Nyugat-Dunántúl, Dél-Dunántúl, Észak-Magyarország, Észak-Alföld and Dél-Alföld)
- **€ 463.7 million** for the more developed region (Közép-Magyarország)
- **€ 6 billion** under the Cohesion Fund
- **€ 361.8 million** for European Territorial Cooperation
- **€ 49.8 million** for the Youth Employment Initiative

Of this, the ESF will represent a minimum of **€ 3.7 billion**. The actual share will be set in light of the specific challenges the country needs to address in the areas covered by the ESF.

## What are the main investment priorities for Hungary?

Priorities for Hungary are set out in a Partnership Agreement with the European Commission. The priorities are expected to include:

- Improving the competitiveness and global performance of the business sector.
- Increasing the level of employment through economic development, employment, education and social inclusion policies.
- Increasing energy and resource efficiency.
- Tackling social and demographic challenges.

## What results have been achieved so far?

The total allocation from Cohesion Policy funding for the 2007-2013 period was € 25.3 billion.

Since the beginning of the 2007-2013 funding period, amongst other achievements, ERDF investments helped Hungary to:

- create more than 75 000 jobs;
- assist the start-up of more than 1 250 businesses;
- provide direct investment aids to more than 32 000 SME projects;
- support more than 3 500 research and technical development projects.

Through the financing provided by the ERDF and Cohesion Fund:

- more than 400 km of new road has been built;
- 1 700 km of road has been reconstructed;
- almost 4 million people benefited from improved urban transport.

The ESF provided training for over 2 million people. Around 50 381 people were covered by social services that aim at strengthening the employability and participation in the labour market. The number of scientific databases made available or extended to higher education institutions rose from 14 to 52 as an important part of the tertiary education for future professionals. The number of disadvantaged pupils following integrated education has doubled over the past seven years. 1 659 schools were supported introducing new programmes and/or methodologies of competence based teaching. The ESF also made important contributions to the modernisation of the Hungarian Public Administration system.

## Cohesion Policy success stories

### ERDF projects

#### ● **Renewal of the city centre of Szombathely – West-Pannonia**

The [municipality of Szombathely City](#) renewed 11 875 m<sup>2</sup> of public premises including the Main square and several monuments. 13 cultural and community building programmes were organised in the historical city centre in collaboration with NGOs. 6 754 inhabitants benefited from the rehabilitation settlements and 27 new jobs were created.

*Total cost: € 5.3 million (ERDF contribution: € 3.1 million)*

#### ● **Job creation in connection with technological development at Kovács Kft**

As part of the project, [Kovács Kft](#) invested in its infrastructure, such as in metalworking machinery, measuring and IT equipment. These investments led to enhanced competitiveness thanks to the higher quality standards the company now complies with and a reinforcement of the company's supplier position in the region. The project resulted in the preservation of 229 workplaces and creation of 40 new positions in a region struggling with a high unemployment rate compared to the Hungarian average.

*Total cost: € 5.6 million (ERDF contribution: € 1.6 million)*

## ESF projects

- **Laternas of the community – Training and employment of community mentors of visually impaired**

19 people received a certificate from the training 'community mentor of visually impaired' and 18 of them became employed at the beneficiary Central-Hungarian Association of the Blind and Visually Impaired. The mentors are actively involved in the elaboration of local equality plans by highlighting some crucial aspects of being visually impaired. Thanks to the project, the local community of blind people in the 5 micro-regions and 7 Budapest districts has been established as well as local stakeholders and citizens get more information on the issues related to the visually impaired.

*Total cost: €9.5 million (ESF contribution: €8.1 million)*

- **Programme for the social integration of children with special needs**

The project aims to open up [new paths of learning for children with special needs](#) in order to increase their success in school and help them study further according to their abilities. To achieve this, the project takes account of the needs of parents and pupils living in and near Miskolc city, and promotes cooperation among the institutional system and the various partners involved in the project.

*Total cost: €3.4 million (ESF contribution: €2.9 million)*

## Find out more about EU cohesion policy projects in Hungary

For more project examples, as well as links to the complete list of beneficiaries of EU cohesion policy funding, see the following websites:

- [European Commission Regional Policy website](#)
- [European Social Fund website](#)